

Foresight Williams Technology EIS Fund

Codeplay



Company Key Facts	
Business Description	Software developer and consultancy specialising in Artificial Intelligence for Advanced Driver Assistance Systems (“ADAS”) and data centres
Company Website	www.codeplay.com
Headquarters	Edinburgh
Industry	Software
Fund Investment Date(s)	April 2018
Fund Investment Total	£1.1m
Current Investment Performance	Exit at 16x

Recent Events

- As a result of a tightly run and competitive bid process, 100% shares of Codeplay were acquired by a major US chipmaker for \$165m USD, on 30 June 2022.
- The sale of the Codeplay investment delivers a gross 16.1x cash-on-cash return and 90% IRR to the FWT investors. The transaction overall generated gross proceeds of £44m to Foresight funds at completion, with a further \$6m escrow payment due in December 2023.
- The business has been valued on the basis of proceeds received by the investors, plus the unhedged USD escrow valued at the average USD/GBP exchange rate for the 30 June 2022.

Outlook

- The investment in Codeplay has enabled the business to develop into one of the leading solution providers to the semiconductor industry.
- Since Foresight funds invested in 2018, Codeplay continued to develop a suite of software assets and has positioned itself at the centre of an increasingly important ecosystem of high-performance chips deployed into end markets from supercomputers, healthcare AI and self-driving cars.
- We wish the management team the very best for the future and are grateful for the opportunity to have worked alongside them.

FWT Value-Add

- Foresight’s investment and proactive approach to supporting the exceptional senior management team was instrumental to the success of the business. Foresight introduced Chairperson Jim Nicolas, previously CEO of MIPS, hired an experienced finance director and introduced advisors to the business early to help refocus the strategy on building an ecosystem of services rather than products.
- Foresight’s joint venture with the Williams Advanced Engineering Team supported the company in accessing the automotive market, where complex supply chains make entry difficult for smaller companies.